# GOVERNMENT OF INDIA
# POWER
# LOK SABHA

UNSTARRED QUESTION NO:2989
ANSWERED ON:21.03.2002
NAPHTHA BASED POWER PLANTS
N.N. KRISHNADAS;VINAY KUMAR SORAKE

**Will the Minister of POWER be pleased to state:**

(a) whether some power projects in the country are running with Naphtha as fuel;

(b) if so, the names of such projects, State-wise;

(c) whether the Government of Karnataka has urged the Union Government to devisemeans for all Independent Power Producers to switch over to an alternate feedstock like LNG or DME substituting Naphtha as liquid fuel;

(d) if so, whether the Government have examined the proposal in depth; and

(e) if so, the Government`s comments on finding alternate feedstock for IPPs?

## Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER ( SHRIMATI JAYAWANTI MEHTA )

(a): Yes sir.

(b): As per available information, the following power projects are operational with naphtha as the primary fuel:-

Sl.No Name of the project / project developer. Cap. (MW)

TAMIL NADU

1 Basin Bridge of Tamil Nadu Electricity Board. 120

GUJARAT

2 Hazira CCGT of M/s Essar Power Ltd. 515
3 Baroda CCGT of Gujarat Industries Power Corporation Ltd. 167

GOA

4 Project of M/s Reliance Salgaocar Power Company Ltd./ Sancoale 40

KARNATAKA

5 Barge mounted power project of M/s.Tanir Bavi Power Company 220

KERALA

6 Eloor CCGT of M/s BSES Kerala Power Ltd. 173
7 Kayamkulam project of National Thermal Power Corporation. 350

MAHARASHTRA

8 Dabhol power project of M/s Dabhol Power Company (Phase.1). 740

Apart from the above mentioned power projects, some captive power plants in the country have also been operating based on naphtha. Some of the gas based power projects also run on naphtha as a fall back option in the event of short supply / non supply of gas.

(c) to (e) : The Government of Karnataka along with several other StateGovernments and project developers had proposed certain measures to reduce the cost of naphtha used for generation of electricity. On 31st January, 2002, two notifications have been issued exempting some of the ongoing power projects based on naphtha (including one project in Karnataka proposed by the State Government), from payment of Excise Duty / Counter Vailing Duty on the naphtha used by these projects. This is expected to bring down the cost of naphtha and the tariff to the consumers.